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Patrick A. Clisham  
Arizona State Director

AZ CORP COMMISSION  
July 25, 2003

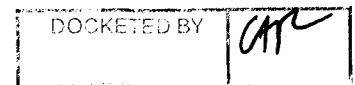
320 E. Broadmoor Court  
Phoenix, AZ 85022  
602 315-5312  
FAX 303 294-7337  
clisham@att.com

Chairman Marc Spitzer  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, AZ 85007

Arizona Corporation Commission  
**DOCKETED**

JUL 25 2003

Re: Slamming and Cramming Rules  
Docket No. RT-00000J-99-0034



Dear Chairman Spitzer:

I am writing you in response to your letter dated July 18, 2003 and addressed to your fellow Commissioners.

As I read your letter and Mr. Thomas Haney's accompanying complaint, I too felt the frustration that we all feel when we hear of an experience like the one Mr. Haney shared. No one should have to experience what he experienced. I do, however, take exception to your apparent questioning of AT&T's commitment to its "Zero Tolerance" policy and your implicit suggestion that this Commission's proposed slamming and cramming rules could completely prevent such occurrences in the future.

AT&T's relationships with its consumers and its regulators are ones that we work very hard to protect. Let me assure you that AT&T is committed to doing all that is within its power to discourage its associates and vendors from acting in a way that harms these relationships. AT&T is serious about its "Zero Tolerance" policy and I believe Mr. Haney's experience, although unfortunate, highlights that commitment.

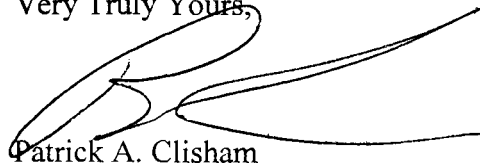
According to AT&T records, Mr. Haney's service was changed to AT&T as a result of a sales call placed to his business on January 16, 2003. His actual service was changed on February 7, 2003. The switch was verified through a recorded call to an independent third party (TPV) and the order was processed accordingly. This method of verification is compliant with both existing Federal Communications Commission and proposed Arizona slamming rules. Upon receipt of his welcome package, Mr. Haney called AT&T and objected to his service being changed. AT&T immediately began an investigation and discovered, based on Mr. Haney's input, that the voice on the recorded TPV was that of someone other than Mr. Haney. AT&T relied on Mr. Haney's representations that his service had been switched without his authorization and adjusted his account. AT&T reported this incident to the sales vendor for whom the sales associate worked and I have been advised that he has been terminated. This is "Zero Tolerance" in action.

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Of course, even a "Zero Tolerance" policy is not infallible. It is unreasonable to expect that any set of rules or policies is going to result in the complete elimination of all change order disputes. "Zero Tolerance," however, does mean that AT&T strives for zero slamming complaints and, if an incident like the one Mr. Haney experienced occurs, AT&T will not tolerate it. There will be no second chances. The policy conveys the strongest message that can be sent to our sales associates and vendors; follow the rules or find work elsewhere.

Let me conclude by affirming, once again, AT&T's support for the Commission's effort to halt slamming and cramming in the industry. Contrary to the assertion in your letter, not all carriers have been "vehement in opposition" to the proposed rules. At all times during the pendency of this rulemaking, AT&T has affirmatively supported the Commission's decision to promulgate slamming/cramming rules and offered comments and suggestions to improve those rules. See e.g. *Comments of AT&T on the Draft Slamming and Cramming Rules* filed June 12, 2001. While I do not intend by this letter to take a position as to how Attorney General Goddard should act, I respectfully request that instead of holding out AT&T's "Zero Tolerance" policy as a failure or an empty promise, you recognize that the policy is an effective tool which complements the proposed slamming and cramming rules and which, along with the rules, will help minimize experiences like that of Mr. Haney.

Very Truly Yours,



Patrick A. Clisham

cc: Commissioner Jim Irvin  
Commissioner William Mundell  
Commissioner Jeff Hatch-Miller  
Commissioner Mike Gleason  
The Honorable Terry Goddard  
All parties of record